

## CARNAHAN VOTES WITH BI-PARTISAN MAJORITY IN FAVOR OF EMERGENCY PACKAGE

(WASHINGTON, DC) - Congress has worked in a bipartisan way passing H.R. 1424, the Economic Emergency Stabilization Act of 2008, to ensure that this rescue effort protects the taxpayer and helps Americans struggling financially on Main Street – not just financial institutions on Wall Street.

The measure now on its way to the President is expected to be acted upon quickly to shore up the nation's rapidly deteriorating economy.

**"I strongly opposed the original Bush/Paulson Bailout Plan that was basically a blank check with no accountability.**

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**While I do not support paying billions of taxpayer dollars to bailout an industry that made poor decisions, the risk of taking no action at all is too great to our economy, and the financial stability of all Americans,"**

said Carnahan.

**"We had to pass this legislation to unlock the credit market that is essential to both individuals and businesses.**

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**Without a properly functioning credit market, small businesses, the backbone of Missouri's economy, were at risk of not making payrolls.**

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**It also became clear that consumers were having increasing difficulty obtaining car loans, home loans,**

**student loans, farm loans as well as other forms of credit."**

The legislation is designed to help protect home owners, small businesses, community banks, retirement savings, as well as state and local governments. With money markets losing value, the nation's credit market frozen, banks verging on failure, all signs indicate the direness of acting now or risk allowing the nation to slide into its most depressed state, since the Great Depression of the 1930's.

Home foreclosures reached 1.5 million in 2007 and are predicted to rise to 2.5 million in 2008. Home prices have fallen for 18 straight months, to a level that is 17 percent below a year ago. That is why the plan includes major efforts to strengthen homeownership and stem the tide of foreclosures. The plan also provides property tax relief for up to 30 million homeowners.

The government must steer mortgages in danger of foreclosure to loan workout programs to keep families in their homes and lift home values nationwide.

**"We ensured the legislation passed protects the American taxpayer and brings accountability to Wall Street with limits on CEO compensation and golden parachutes, and ensures congressional review and cost controls,"** said Carnahan.

The plan helps small businesses and families that need credit by aiding smaller banks hurt by the mortgage crisis. It increases from \$100,000 to \$250,000 the amount of bank deposits insured by the FDIC to help small banks, small businesses, those saving for retirement, and strengthen confidence in our banking system.

Approximately 800 community banks will be able to deduct losses from their investments in Fannie Mae and Freddie Mac stocks, preventing insolvency and strengthening the financial health of Main Street America.

To shore up the retirement savings of millions of Americans, the Economic Rescue Plan will help stabilize the financial markets and allows the government to purchase troubled assets from pension plans.

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**I heard from a couple in**

**my district who have been saving for retirement for years and were ready to retire.**

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**However, over the last month they have watched the value of their retirement savings drastically decline and are now forced to work longer to make up the loss,"**

**said Carnahan who consulted with St. Louis area financial experts that outlined the growing risks to people's pensions.**

The plan also helps shore up the fiscal soundness of state and local governments, struggling to provide front-line services to Americans.

**[CARNAHAN FLOOR STATEMENT PRIOR TO VOTE](#)**

